



DEPARTMENT OF THE TREASURY

Alcohol and Tobacco Tax and Trade Bureau

27 CFR Part 9

[Docket No. TTB-2022-0008; Notice No. 214]

RIN 1513-AC85

Proposed Establishment of the Yucaipa Valley Viticultural Area

AGENCY: Alcohol and Tobacco Tax and Trade Bureau, Treasury.

ACTION: Notice of proposed rulemaking.

SUMMARY: The Alcohol and Tobacco Tax and Trade Bureau (TTB) proposes to establish the 36,467-acre “Yucaipa Valley” viticultural area in San Bernardino County, in California. The proposed viticultural area is not within any other established viticultural area. TTB designates viticultural areas to allow vintners to better describe the origin of their wines and to allow consumers to better identify wines they may purchase. TTB invites comments on this proposed addition to its regulations.

DATES: Comments must be received by [INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER].

ADDRESSES: You may electronically submit comments to TTB on this proposal using the comment form for this document posted within Docket No. TTB-2022-0008 on the Regulations.gov website at <https://www.regulations.gov>. At the same location, you also may view copies of this document, the related petition and selected supporting materials, and any comments TTB receives on this proposal. A direct link to that docket is available on the TTB website at <https://www.ttb.gov/wine/notices-of-proposed-rulemaking> under Notice No. 214. Alternatively, you may submit comments via postal mail to the Director,

Regulations and Ruling Division, Alcohol and Tobacco Tax and Trade Bureau, 1310 G Street, NW., Box 12, Washington, DC 20005. Please see the **Public Participation** section of this document for further information on the comments requested on this proposal and on the submission, confidentiality, and public disclosure of comments.

FOR FURTHER INFORMATION CONTACT: Karen A. Thornton, Regulations and Rulings Division, Alcohol and Tobacco Tax and Trade Bureau, 1310 G Street NW., Box 12, Washington, DC 20005; phone 202–453–1039, ext. 175.

SUPPLEMENTARY INFORMATION:

Background on Viticultural Areas

TTB Authority

Section 105(e) of the Federal Alcohol Administration Act (FAA Act), 27 U.S.C. 205(e), authorizes the Secretary of the Treasury to prescribe regulations for the labeling of wine, distilled spirits, and malt beverages. The FAA Act provides that these regulations should, among other things, prohibit consumer deception and the use of misleading statements on labels and ensure that labels provide the consumer with adequate information as to the identity and quality of the product. The Alcohol and Tobacco Tax and Trade Bureau (TTB) administers the FAA Act pursuant to section 1111(d) of the Homeland Security Act of 2002, codified at 6 U.S.C. 531(d). In addition, the Secretary of the Treasury has delegated certain administrative and enforcement authorities to TTB through Treasury Order 120–01.

Part 4 of the TTB regulations (27 CFR part 4) authorizes TTB to establish definitive viticultural areas and regulate the use of their names as appellations of origin on wine labels and in wine advertisements. Part 9 of the TTB regulations (27 CFR part 9) sets forth standards for the preparation and submission of

petitions for the establishment or modification of American viticultural areas (AVAs) and lists the approved AVAs.

Definition

Section 4.25(e)(1)(i) of the TTB regulations (27 CFR 4.25(e)(1)(i)) defines a viticultural area for American wine as a delimited grape-growing region having distinguishing features as described in part 9 of the regulations and, once approved, a name and a delineated boundary codified in part 9 of the regulations. These designations allow vintners and consumers to attribute a given quality, reputation, or other characteristic of a wine made from grapes grown in an area to the wine's geographic origin. The establishment of AVAs allows vintners to describe more accurately the origin of their wines to consumers and helps consumers to identify wines they may purchase. Establishment of an AVA is neither an approval nor an endorsement by TTB of the wine produced in that area.

Requirements

Section 4.25(e)(2) of the TTB regulations (27 CFR 4.25(e)(2)) outlines the procedure for proposing an AVA and allows any interested party to petition TTB to establish a grape-growing region as an AVA. Section 9.12 of the TTB regulations (27 CFR 9.12) prescribes standards for petitions to establish or modify AVAs. Petitions to establish an AVA must include the following:

- Evidence that the area within the proposed AVA boundary is nationally or locally known by the AVA name specified in the petition;
- An explanation of the basis for defining the boundary of the proposed AVA;

- A narrative description of the features of the proposed AVA affecting viticulture, such as climate, geology, soils, physical features, and elevation, that make the proposed AVA distinctive and distinguish it from adjacent areas outside the proposed AVA;
- The appropriate United States Geological Survey (USGS) map(s) showing the location of the proposed AVA, with the boundary of the proposed AVA clearly drawn thereon; and
- A detailed narrative description of the proposed AVA boundary based on USGS map markings.

Yucaipa Valley Petition

TTB received a petition from the Yucaipa Valley Wine Alliance, proposing the establishment of the “Yucaipa Valley” AVA. The proposed Yucaipa Valley AVA is located in San Bernardino County, California. The proposed AVA contains 36,467 acres, with approximately 23 vineyards and 2 wineries. Grape varieties grown within the proposed AVA include Cabernet Sauvignon, Merlot, Zinfandel, Syrah, Malbec, Nebbiolo, Barbera, and Petite Sirah.

According to the petition, the distinguishing features of the proposed Yucaipa Valley AVA include its elevation and climate. Although the petition also included information about the soils of the proposed AVA, TTB has not included soils in the discussion of distinguishing features. The petition states that areas to the west, northwest, south, southeast and east have soils similar to those of the proposed AVA, and the petition does not include an adequate comparison of soils in the proposed AVA with soils in areas to the north, northeast, and southwest. Unless otherwise noted, all information and data pertaining to the proposed AVA contained in this document are from the petition for the proposed Yucaipa Valley AVA and its supporting exhibits.

Name Evidence

The petition notes that, although the town of Yucaipa is located within the proposed Yucaipa Valley AVA, the region was known as the “Yucaipa Valley” long before the town’s incorporation in 1989. As evidence of the long-term use of the name, the petition included a copy of an advertisement from 1910 announcing prime agricultural land for sale in the region of the proposed AVA. The advertisement claims, “There is no better apple country than the Yucaipa Valley.”¹ The petition also included a 1920 article titled “Yucaipa Valley Scores as Apple Producer.”² A 1925 article about the Yucaipa Apple Festival notes that President William Taft thanked the festival organizers for a box of “Yucaipa Valley” apples they sent to him.³ By the 1950s, the region was promoting itself to visitors with a billboard proclaiming “Welcome to Yucaipa Valley.”⁴

The petition included information regarding the current use of the name “Yucaipa Valley” to describe the region of the proposed AVA. For example, sports organizations and facilities serving the region include the Yucaipa Valley Golf Club, Yucaipa Valley Youth Soccer Organization, and the Yucaipa Valley National League and Yucaipa Valley American League divisions of Little League Baseball. Organizations within the region include the Yucaipa Valley Historical Society, Yucaipa Valley Lions Club, Yucaipa Valley Amateur Radio Club, and the Yucaipa Valley Spanish Church. Other businesses include the Yucaipa Valley Center shopping center, Yucaipa Valley Optometry, and the Yucaipa Valley Manufactured Home Community.

Boundary Evidence

¹ Sunset Homeseeker’s Bureau of Information, 1910, volume 24, page 871.

² Killingsworth, K.S. “Yucaipa Valley Scores as Apple Producer.” Pacific Rural Press, April 16, 1920: page 592.

³ Sanders, J.R. Images of America: Oak Glen Los Rios Ranchos. Arcadia Publishing, 2006.

⁴ City of Yucaipa Hazard Mitigation Plan, August 8, 2016, page 7.

The proposed Yucaipa Valley AVA is a region of rolling hills in the foothills of the San Bernardino Mountains. The petition states that the boundaries of the region known historically as the Yucaipa Valley are clearly delineated by the Yucaipa Valley Historical Society to mean the boundaries of Yucaipa, Oak Glen, and Calimesa.⁵ The proposed AVA includes the incorporated municipalities of Yucaipa and Calimesa and unincorporated areas of Oak Glen, as well as surrounding county areas with natural borders. The proposed northern boundary follows a series of section lines on the USGS maps, as well as elevation contours, to separate the proposed AVA from the steeper slopes of the Yucaipa Ridge mountain range. The proposed eastern boundary largely follows Little San Gorgonio Creek to separate the proposed AVA from regions that traditionally have not been associated with the region known as the “Yucaipa Valley.” The southern boundary follows a series of roads to separate the proposed AVA from the towns of Cherry Valley and Beaumont, while the proposed western boundary generally follows land tract boundaries.

Distinguishing Features

The distinguishing features of the proposed Yucaipa Valley AVA include its elevation and climate.

Elevation

Elevations within the proposed Yucaipa Valley AVA range from 2,000 to 4,600 feet. According to the petition, the high elevations affect viticulture. At high elevations, sunlight becomes more concentrated. As a result, grapes receive a “tan,” which results in thicker skin than the same varieties grown at lower elevations would have. The petition states that thick skins contribute to the

⁵ www.yucaipahistory.org.

color and tannin levels of the resulting wine and protect developing grapes from the dramatic climate shifts that can occur in high altitude vineyards.

To the immediate north and northeast of the proposed AVA is the mountain range known as the Yucaipa Ridge, which has steep slopes that generate elevations up to 2,000 feet higher than the northern boundary of the proposed AVA at each point. The region east of the proposed AVA has elevations similar to those within the proposed AVA. However, the petition states that the region to the east is not included in the proposed AVA because it is largely uninhabited and undeveloped, has few roads, and does not have historical ties to the region known as the Yucaipa Valley. Furthermore, according to the USGS maps included in the petition, the region to the east of the proposed AVA is largely covered by the San Bernardino National Forest, which is not available for commercial viticulture due to its status as a National Forest. Cherry Valley and Beaumont to the south and southeast have elevations similar to those in the lower portions of the proposed AVA. To the south and southwest of the proposed AVA, in San Timoteo Canyon, elevations are lower, ranging from 1,600 to 2,000 feet. To the west of the proposed AVA is the Redlands Valley, which also has lower elevations ranging from 1,100 to 2,000 feet.

Climate

According to the petition, the proposed Yucaipa Valley AVA has a hot, dry climate suitable for growing grape varieties such as Cabernet Sauvignon, Merlot, Zinfandel, Syrah, Malbec, Nebbiolo, Barbera, and Petite Sirah. The petition included information on the average monthly high, average monthly low, monthly record high, and monthly record low temperatures from the city of Yucaipa, as well as from the region to the west and the region to the north-northeast of the proposed AVA. Within the city of Yucaipa, the average high temperature is 78.3

degrees Fahrenheit (F), and the average low temperature is 48.7 degrees F. August is typically the warmest month, with an average high of 97 degrees F, and December is typically the coolest month, with an average minimum temperature of 40 degrees F. The record high temperature in the city of Yucaipa is 114 degrees F, while the record low temperature is 11 degrees F.

The city of Redlands, to the west of the proposed AVA, has slightly higher average high and low temperatures than the proposed AVA. The average high temperature is 79.6 degrees F, and the average low temperature is 50.5 degrees F. August is typically the warmest month in Redlands, with an average high of 96 degrees F, and December is typically the coolest month, with an average minimum temperature of 40 degrees F. The record high temperature in Redlands is 118 degrees F, and the record low temperature is 18 degrees F.

To the north and northeast of the proposed AVA, the community of Forest Falls is typically cooler than the proposed AVA. The average high temperature is 61.5 degrees F, and the average low temperature is 40.9 degrees F. August is typically the warmest month, with an average high of 81 degrees F. The record high temperature is 106 degrees F, and the record low temperature is 5 degrees F.

The petition also included information about precipitation amounts within the proposed Yucaipa Valley AVA and the surrounding regions. The city of Yucaipa receives an average cumulative rainfall of 4.14 inches during the growing season of April through October. The average precipitation amount for the city of Yucaipa during the winter months, November through March, is substantially greater, 15.35 inches, with an average of 1 inch being snow. Accumulations of snow accrue at higher elevations within the proposed AVA. According to the petition, the amount of snowfall and winter precipitation within

the proposed AVA affects viticulture, even though the vines are dormant. First, the snow helps ensure continued vine dormancy and provides a “necessary rest” from continual growth. The precipitation also creates hydric reserves that are beneficial during the hot, dry summer months. Finally, the snow protects vines against fungi and pests that hide within the bark when temperatures become colder.

To the west of the proposed AVA, the town of Redlands receives an average of 10.86 inches of winter precipitation. To the south of the proposed AVA, the city of Beaumont receives an average winter precipitation amount very similar to that of the proposed AVA. However, the petition states that because of the lower elevations, temperatures in Beaumont and Redlands seldom drop low enough for the precipitation to fall as snow. Although the region to the east of the proposed AVA has a winter climate similar to that of the proposed AVA, that region is outside of what has historically been called the Yucaipa Valley and is thus not included in the proposed AVA.

Summary of Distinguishing Features

In summary, the elevation and climate of the proposed Yucaipa Valley AVA distinguish it from the surrounding regions. The following table shows the characteristics of the proposed AVA compared to the features of the surrounding regions.

Table: Features of Proposed AVA and Surrounding Regions

Region	Features	
	Elevation	Climate

Proposed Yucaipa Valley AVA	2,000 to 4,600 feet	Average monthly high temperature of 78.3 degrees F; average monthly low temperature of 48.7 degrees F; record maximum temperature of 114 degrees F; record low temperature of 11 degrees F; dry growing season with average rainfall of 4.14 inches per growing season; higher winter rainfall with averages of 15.35 inches per winter, including average of 1 inch of snow
North, Northeast	Higher, mountainous elevations, up to 2,000 feet higher than the northern boundary of the proposed AVA	Average monthly high of 61.5 degrees F; average monthly low of 40.9 degrees F; record high of 106 degrees F; record low of 5 degrees F.
East	Similar to proposed AVA, but not within the region traditionally known as Yucaipa Valley	Similar to proposed AVA, but not within the region traditionally known as Yucaipa Valley
South, Southwest	1,600 to 2,000 feet	Seldom receives snow
West	1,100 to 2,000 feet	Average monthly high of 79.6 degrees F; average monthly low of 50.5 degrees F; record high of 118 degrees F; record low of 18 degrees F; average winter rainfall of 10.86 inches annually

TTB Determination

TTB concludes that the petition to establish the proposed Yucaipa Valley AVA merits consideration and public comment, as invited in this notice of proposed rulemaking.

Boundary Description

See the narrative description of the boundary of the petitioned-for AVA in the proposed regulatory text published at the end of this proposed rule.

Maps

The petitioner provided the required maps, and TTB lists them below in the proposed regulatory text. You may also view the proposed Yucaipa Valley AVA boundary on the AVA Map Explorer on the TTB website, at <https://www.ttb.gov/wine/ava-map-explorer>.

Impact on Current Wine Labels

Part 4 of the TTB regulations prohibits any label reference on a wine that indicates or implies an origin other than the wine's true place of origin. For a wine to be labeled with an AVA name, at least 85 percent of the wine must be derived from grapes grown within the area represented by that name, and the wine must meet the other conditions listed in § 4.25(e)(3) of the TTB regulations (27 CFR 4.25(e)(3)). If the wine is not eligible for labeling with an AVA name and that name appears in the brand name, then the label is not in compliance and the bottler must change the brand name and obtain approval of a new label. Similarly, if the AVA name appears in another reference on the label in a misleading manner, the bottler would have to obtain approval of a new label. Different rules apply if a wine has a brand name containing an AVA name that was used as a brand name on a label approved before July 7, 1986. See § 4.39(i)(2) of the TTB regulations (27 CFR 4.39(i)(2)) for details.

If TTB establishes this proposed AVA, its name, “Yucaipa Valley,” will be recognized as a name of viticultural significance under § 4.39(i)(3) of the TTB regulations (27 CFR 4.39(i)(3)). The text of the proposed regulation clarifies this point. Consequently, wine bottlers using the name “Yucaipa Valley” in a brand name, including a trademark, or in another label reference as to the origin of the wine, would have to ensure that the product is eligible to use the AVA name as an appellation of origin if TTB adopts this proposed rule as a final rule.

Public Participation

Comments Invited

TTB invites comments from interested members of the public on whether it should establish the proposed Yucaipa Valley AVA. TTB is also interested in receiving comments on the sufficiency and accuracy of required information submitted in support of the petition. Please provide specific information in support of your comments.

Because of the potential impact of the establishment of the proposed Yucaipa Valley AVA on wine labels that include the term “Yucaipa Valley” as discussed above under **Impact on Current Wine Labels**, TTB is particularly interested in comments regarding whether there will be a conflict between the proposed AVA name and currently used brand names. If a commenter believes that a conflict will arise, the comment should describe the nature of that conflict, including any anticipated negative economic impact that approval of the proposed AVA will have on an existing viticultural enterprise. TTB is also interested in receiving suggestions for ways to avoid conflicts, for example, by adopting a modified or different name for the proposed AVA.

Submitting Comments

You may submit comments on this proposal as an individual or on behalf of a business or other organization via the Regulations.gov website or via postal mail, as described in the **ADDRESSES** section of this document. Your comment must reference Notice No. 214 and must be submitted or postmarked by the closing date shown in the **DATES** section of this document. You may upload or include attachments with your comment. You also may request a public hearing on this proposal. The TTB Administrator reserves the right to determine whether to hold a public hearing.

Confidentiality and Disclosure of Comments

All submitted comments and attachments are part of the rulemaking record and are subject to public disclosure. Do not enclose any material in your comments that you consider confidential or that is inappropriate for disclosure.

TTB will post, and you may view, copies of this document, the related petition and selected supporting materials, and any comments TTB receives about this proposal within the related Regulations.gov docket. In general, TTB will post comments as submitted, and it will not redact any identifying or contact information from the body of a comment or attachment.

Please contact TTB's Regulations and Rulings Division by email using the web form available at <https://www.ttb.gov/contact-rrd>, or by telephone at 202–453–2265, if you have any questions about commenting on this proposal or to request copies of this document, the related petition and its supporting materials, or any comments received.

Regulatory Flexibility Act

TTB certifies that this proposed regulation, if adopted, would not have a significant economic impact on a substantial number of small entities. The proposed regulation imposes no new reporting, recordkeeping, or other administrative requirement. Any benefit derived from the use of a viticultural area name would be the result of a proprietor's efforts and consumer acceptance of wines from that area. Therefore, no regulatory flexibility analysis is required.

Executive Order 12866

It has been determined that this proposed rule is not a significant regulatory action as defined by Executive Order 12866 of September 30, 1993. Therefore, no regulatory assessment is required.

List of Subjects in 27 CFR Part 9

Wine.

Proposed Regulatory Amendment

For the reasons discussed in the preamble, TTB proposes to amend title 27, chapter I, part 9, Code of Federal Regulations, as follows:

PART 9—AMERICAN VITICULTURAL AREAS

1. The authority citation for part 9 continues to read as follows:

Authority: 27 U.S.C. 205.

Subpart C—Approved American Viticultural Areas

2. Add § 9.____ to subpart C to read as follows:

§ 9.____ Yucaipa Valley.

(a) *Name.* The name of the viticultural area described in this section is “Yucaipa Valley”. For purposes of part 4 of this chapter, “Yucaipa Valley” is a term of viticultural significance.

(b) *Approved maps.* The 4 United States Geological Survey (USGS) 1:24,000 scale topographic maps used to determine the boundary of the Yucaipa Valley viticultural area are:

- (1) Yucaipa, CA, 1996;
- (2) Forest Falls, CA, 1996;
- (3) Beaumont, CA, 1996; and
- (4) El Casco, CA, 1967; photorevised 1979.

(c) *Boundary.* The Yucaipa Valley viticultural area is located in San Bernardino County, California. The boundary of the Yucaipa Valley viticultural area is as described as follows:

- (1) The boundary begins on the Yucaipa map at the intersection of Highway 38/Mill Creek Road and the western boundary of section 13, T1S/R2W.

From the beginning point, proceed northeast along Highway 38/Mill Creek Road to the 2,924-foot benchmark in section 13; then

(2) Proceed east in a straight line to the 3,800-foot elevation contour in section 18, T1S/R1W; then

(3) Proceed east-southeasterly along the 3,800-foot elevation contour, crossing onto the Forest Falls map, and continuing along the 3,800-foot elevation contour to its intersection with Wilson Creek along the eastern boundary of section 21, T1S/R1W; then

(4) Proceed northerly along Wilson Creek to its intersection with the 4,400-foot elevation contour in section 22, T1S/R1W; then

(5) Proceed south-southeasterly along the 4,400-foot elevation contour to its intersection with Birch Creek in section 26, T1S/R1W; then

(6) Proceed northeasterly along Birch Creek to its intersection with the 5,200-foot elevation contour in section 23, T1S/R1W; then

(7) Proceed south-southeasterly along the 5,200-foot elevation contour to its intersection with the eastern branch of Little San Gorgonio Creek along the San Bernardino National Forest boundary in section 31, T1S/R1E; then

(8) Proceed southwesterly along the eastern branch of Little San Gorgonio Creek to its confluence with the main channel of Little San Gorgonio Creek near the gaging station in section 1, R1W/T2S; then

(9) Proceed southwesterly along the main channel of Little San Gorgonio Creek, crossing onto the Beaumont map, and continuing along the creek to its intersection with Orchard Avenue in section 22, T2S/R1W; then

(10) Proceed west along Orchard Street to the point where the road makes a sharp turn south and becomes locally known as Taylor Street along the western boundary of section 28, T2S/R1W; then

(11) Proceed south along Taylor Street to its intersection with Vineland Avenue in section 28, T2S/R1W; then

(12) Proceed west along Vineland Avenue to its intersection with an unnamed road known locally as Union Street along the western edge of the Beaumont map in section 29, T2S/R1W; then

(13) Proceed south along Union Street to its intersection with Woodland Avenue in section 29, T2S/R1W; then

(14) Proceed west along Woodland Avenue, crossing onto the El Casco map, where the road becomes known as Cherry Valley Boulevard, and continue west along Cherry Valley Boulevard to its intersection with Interstate 10 in the Tract Between San Jacinto and San Gorgonio, T2S/R2W; then

(15) Proceed southeasterly along Interstate 10 to its intersection with the first unnamed, intermittent stream in section 32, T2S/R1W; then

(16) Proceed west in a straight line to the western boundary of section 31, T2S/R1W; then

(17) Proceed north along the western boundary of section 31 to the southernmost transmission line at the northwest corner of section 31, T2S/R1W; then

(18) Proceed northwesterly along the transmission line to its intersection with San Timoteo Canyon Road in the Tract Between San Jacinto and San Gorgonio, T2S/R2W; then

(19) Proceed northwesterly along San Timoteo Canyon Road to its intersection with the western boundary of the Tract Between San Jacinto and San Gorgonio, T2S/R2W; then

(20) Proceed north, then northeasterly along the boundary of the tract to its intersection with the southwestern corner of section 22, T2S/R2W; then

(21) Proceed north along the western boundary of section 22 to its intersection with the southeastern corner of section 16, T2S/R2W; then

(22) Proceed west along the southern boundaries of sections 16 and 17 to the southwestern corner of section 17, T2S/R2W; then

(23) Proceed north along the western boundary of section 17, crossing onto the Yucaipa map and continuing along the western boundary of section 17 to its intersection with the Riverside–San Bernardino County line along the northern boundary of section 17, T2S/R2W; then

(24) Proceed east along the Riverside–San Bernardino County line to its intersection with the eastern boundary of section 17, T2S/R2W; then

(25) Proceed north in a straight line to the boundary of the San Bernardino Land Grant, T2S/R2W; then

(26) Proceed west along the land grant boundary to its intersection with the eastern boundary of section 8, T2S/R2W; then

(27) Proceed north along the eastern boundaries of sections 8 and 5 to the intersection of the northeast corner of section 5 and an unnamed road known locally as Highview Drive, T2S/R2W; then

(28) Proceed northwest in a straight line to its intersection with Interstate 10 west of an unnamed light-duty road known locally as Knoll Road in the San Bernardino Land Grant, T2S/R2W; then

(29) Proceed northeast in a straight line to the northeast corner of section 32, T1S/R2W; then

(30) Proceed east along the northern boundaries of sections 33, 34, and 35 to the southwestern corner of section 25, T1S/R2W; then

(31) Proceed north along the western boundaries of sections 25, 24, and 13 to the intersection of the western boundary of section 13 and Highway 38/Mill Creek Road, T1S/R2W, which is the beginning point.

Signed: September 8, 2022.

Mary G. Ryan,

Administrator.

Approved: September 8, 2022.

Thomas C. West, Jr.,

*Assistant Secretary,
(Tax Policy).*

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